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DATE: 03/08/93 SALES INFORMATION SYSTEM TIME: 13:09  
SUBJECT: NYS FAIR PROGRAM COSTS SENDER: S. G. STEEN/#1622  
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TO: MR. R. C. FARMER  
SUBJECT: NEW YORK STATE FAIR PROGRAM COSTS  
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DEAR ROGER:

I SPOKE WITH DEBRA JONES IN THE PROMOTIONS DEPT. IN WINSTON-SALEM IN REGARD TO THE COSTS OF THE NEW YORK STATE FAIR PROMOTION. DEBRA INFORMED ME THAT HER INITIAL ESTIMATE WAS INCORRECT AND RECALCULATED THE COST AS FOLLOWS:

\$196.00 PER SKU (200 TICKET BOXES PER SKU)

160 SKU'S (32,000 TICKETS TO SYRACUSE)  
40 SKU'S ( 8,000 TICKETS TO ROCHESTER)

200 SKU'S  
196.00 - COST PER SKU

\$39,200.00

THE \$39,200.00 INCLUDES THE \$12,500.00 LEASE FEE FOR THE PAVILLION FOR WHICH WE RECEIVE (10,000) "FREE" TICKET OFFERS. THE \$39,200.00 DOES NOT INCLUDE THE COSTS WE WILL INCUR ON FAIR TICKETS REDEEMED BEGINNING WITH TICKET #10,001 UP TO #40,000 @ A RATE OF \$2.00 PER TICKET. IF THE REDEMPTION RATE HITS 100%, THIS WOULD COST US AN ADDITIONAL \$60,000.00. I EXPECT THAT A REDEMPTION RATE IN LINE WITH LAST YEAR IS MORE REALISTIC. THE 60% REDEMPTION RATE WOULD MEAN THAT OUR ENTIRE COST FOR THE PROGRAM WILL BE \$67,200.00.

SHOULD YOU HAVE ANY QUESTIONS, PLEASE DO NOT HESITATE TO GIVE ME A CALL.

SINCERELY,

SCOTT

S. G. STEEN/DM

SGS:BD

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C: MS. MELINDA SIMMONS

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